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Australia, Austria, Belgium, Canada, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Netherlands, New Zealand, Norway, Poland, Portugal, Qatar,* Slovenia, Spain, Sweden, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America: draft resolution

Smooth transition strategy for countries graduating from the list of least developed countries

The General Assembly,

Recalling its resolution 46/206 of 20 December 1991,

Recalling also Economic and Social Council resolution 2004/66 of 5 November 2004,

Reconfirming Economic and Social Council resolutions 2000/34 of 28 July 2000, 2001/43 of 24 October 2001, 2002/36 of 26 July 2002 and 2004/3 of 3 June 2004,

1. *Re-emphasizes* the need for a smooth transition for countries graduating from the list of least developed countries;

2. *Reconfirms* that graduating from the list of least developed countries should not result in a disruption of development plans, programmes and projects;

3. *Decides* that the process through which to ensure a smooth transition of countries graduating from the list of least developed countries shall unfold as follows:

(a) When the Committee for Development Policy, in its triennial review of the list of least developed countries, identifies a country that meets the criteria for graduation for the first time, it will submit its findings to the Economic and Social Council;

* On behalf of the States Members of the United Nations that are members of the Group of 77 and China.

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(b) After a country has met the criteria for graduation for the first time, the Secretary-General of the United Nations will invite the Secretary-General of the United Nations Conference on Trade and Development to prepare a vulnerability profile[1] on the identified country to be taken into account by the Committee for Development Policy at its subsequent triennial review;

(c) At the subsequent triennial review undertaken by the Committee for Development Policy, referred to in paragraph 3 (b) above, the qualification for graduation of the country will be reviewed and, if reconfirmed, the Committee will submit a recommendation, in accordance with the established procedures, to the Economic and Social Council;

(d) The Economic and Social Council, in turn, will take action on the recommendation of the Committee for Development Policy at its first substantive session following the triennial review of the Committee and will transmit its decision to the General Assembly;

(e) Three years following the decision of the General Assembly to take note of the recommendation of the Committee for Development Policy to graduate a country from the list of least developed countries, graduation will become effective; during the three-year period, the country will remain on the list of least developed countries and will maintain the advantages associated with membership on that list;

4. *Invites* the graduating country, in cooperation with its bilateral and multilateral development and trading partners and with the support of the United Nations system, to prepare, during the three-year period, a transition strategy to adjust to the phasing out, over a period appropriate to the development situation of the country, of the advantages associated with its membership on the list of least developed countries and to identify actions to be taken by the graduating country and its bilateral and multilateral development and trading partners to that end;

5. *Recommends* that the graduating country establish, in cooperation with its bilateral and multilateral development and trading partners, a consultative mechanism to facilitate the preparation of the transition strategy and the identification of the associated actions;

6. *Requests* the Administrator of the United Nations Development Programme, in his capacity as Chair of the United Nations Development Group, to assist countries graduating from the list of least developed countries by providing, if requested, support to the consultative mechanism of the United Nations Resident Coordinator and the United Nations country team;

7. *Urges* all development partners to support the implementation of the transition strategy and to avoid any abrupt reductions in either official development assistance or technical assistance provided to the graduated country;

8. *Invites* development and trading partners to consider extending to the graduated country trade preferences previously made available as a result of least developed country status or reducing them in a phased manner in order to avoid their abrupt reduction;

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[1] See *Official Records of the Economic and Social Council, 1999, Supplement No. 13* (E/1999/33), chap. III, para. 123.

9. *Invites* all members of the World Trade Organization to consider extending to a graduated country, as appropriate, the existing special and differential treatment and exemptions available to least developed countries for a period appropriate to the development situation;

10. *Recommends* that the continued implementation of technical assistance programmes under the Integrated Framework for Trade-related Technical Assistance to Least Developed Countries be considered for the graduated country over a period appropriate to the development situation of the country;

11. *Invites* the Government of the graduated country to closely monitor, with the support of the consultative mechanism, the implementation of the transition strategy and to keep the Secretary-General informed on a regular basis;

12. *Requests* the Committee for Development Policy to continue to carry out the monitoring of the development progress of the graduated country as a complement to its triennial review of the list of least developed countries, with the assistance and support of other relevant entities, and to report thereon to the Economic and Social Council.